

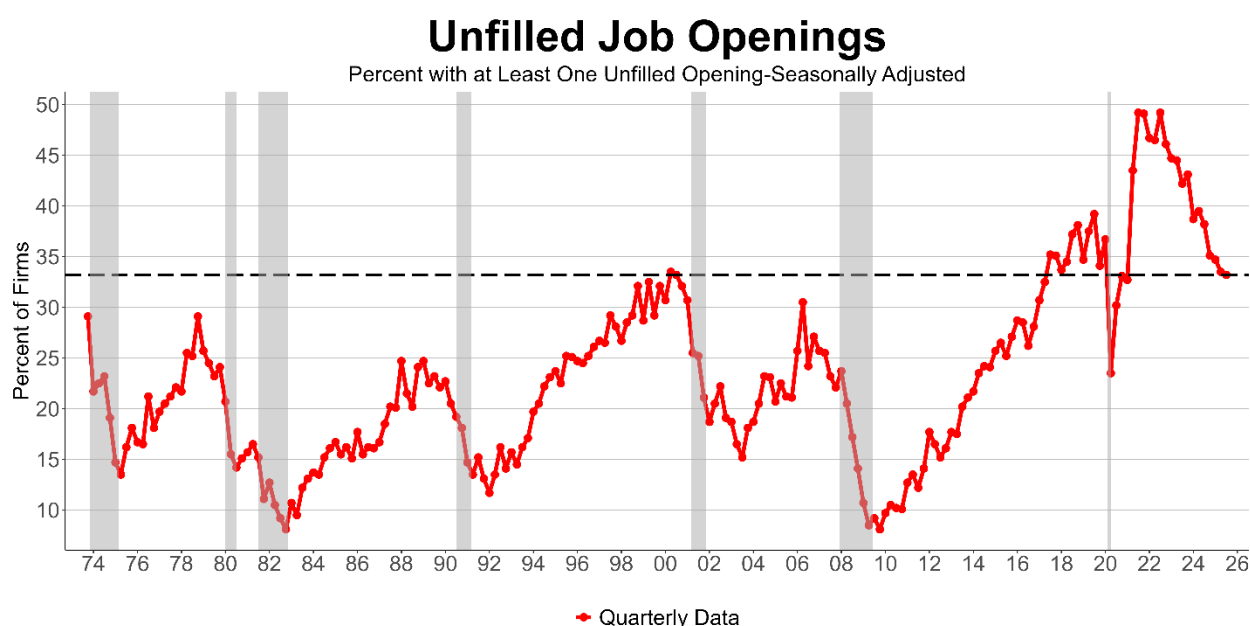
Unfilled Job Openings Hit Lowest Level Since 2020

Based on 953 respondents to the July survey of a random sample of NFIB's member firms, surveyed through 7/28/2025.

EMBARGO 1 PM THURSDAY

U.S. government data and small business data from the National Federation of Independent Business (NFIB) align on labor trends of a solid but gently slowing job market. The U.S. Bureau of Labor Statistics (BLS) reported that in June, 147,000 jobs were added to the U.S. economy, above the average monthly gain for the first half of 2025 (130,000) and below the average monthly gain for 2024 (168,000). Revisions to estimates for April and May totaled 16,000 more than initially reported. Employment grew in health care and state government (more than half of the total gain), while federal government employment continued to decline.

NFIB's July Small Business Economic Trends survey found that 33 percent (seasonally adjusted) of all owners reported job openings they could not fill in the current period, down 3 points from June and the lowest level since December 2020, though still well above its monthly historical average of 25 percent. Twenty-nine percent have openings for skilled workers (down 1 point), and 12 percent have openings for unskilled labor (down 1 point).



Job openings were the highest in the construction, wholesale, and transportation industries, and the lowest in finance and agriculture. Over half (55 percent) of small businesses in the construction industry had a job opening they could not fill, up 2

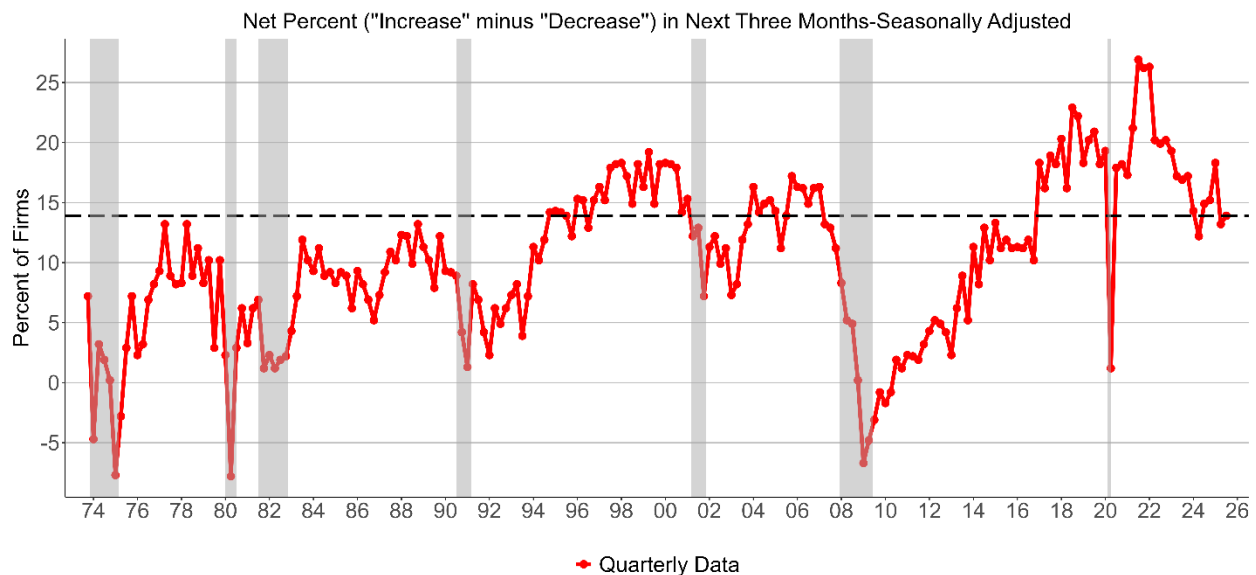
points from last month. Only 13 percent of businesses in the finance industry reported unfilled job openings in July, a decrease of 14 points from June.

Industry- Percent with Job Openings

Industry	July 2025	July 2024
Construction	55%	55%
Wholesale	42%	33%
Transportation	41%	45%
Manufacturing	40%	38%
Services	38%	41%
Retail	29%	42%
Professional services	25%	27%
Agriculture	15%	24%
Finance	13%	24%

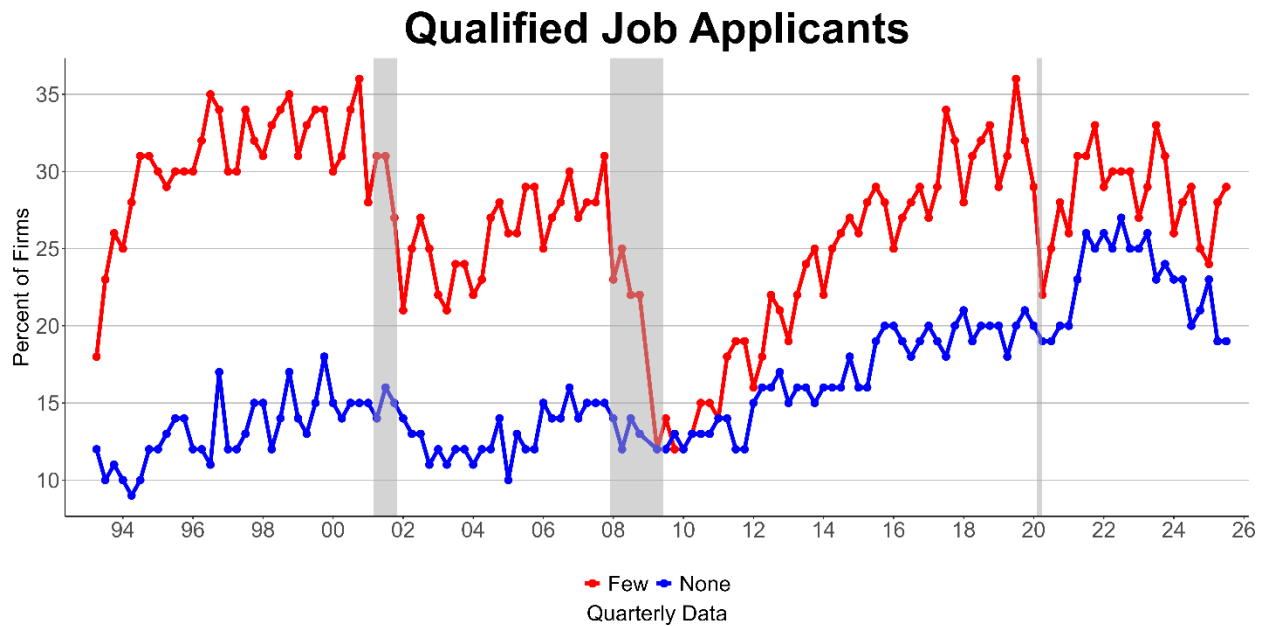
A seasonally adjusted net 14 percent of owners plan to create new jobs in the next three months, up 1 point from June. This remains above the historical average of net 11 percent.

Job Creation Plans

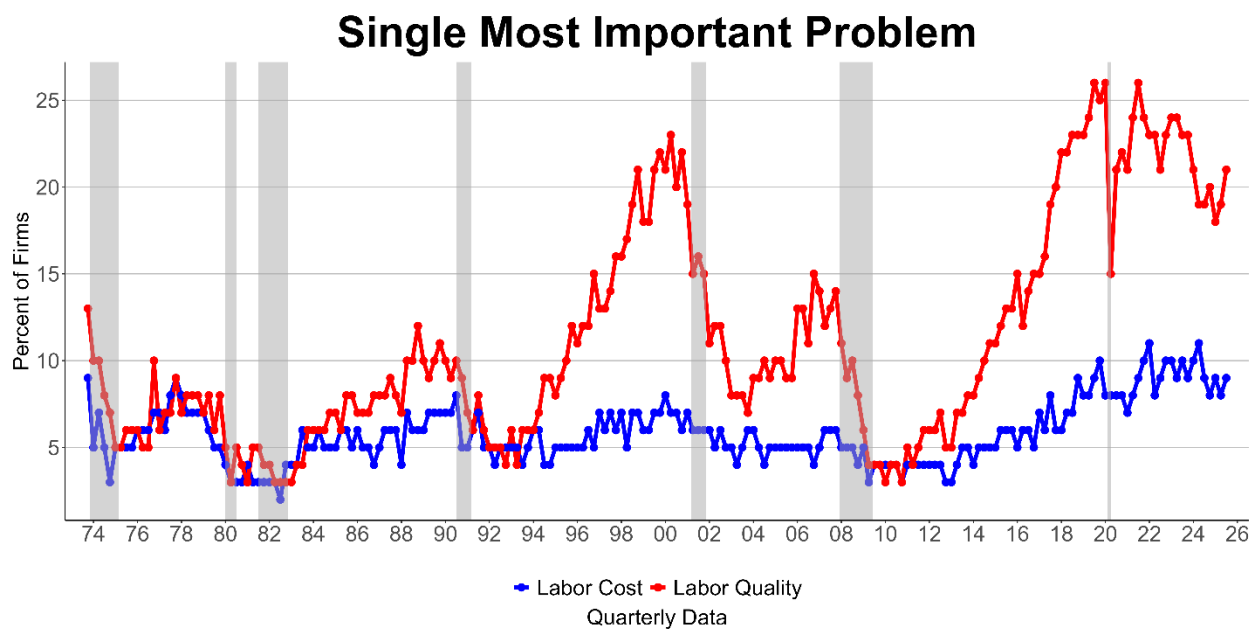


Overall, 57 percent of owners reported hiring or trying to hire in July, down 1 point from June. Forty-eight percent (84 percent of those hiring or trying to hire) of owners reported few or no qualified applicants for the positions they were trying to fill (down 2 points). This 2-point decline was driven by the reduction in owners reporting no qualified applications, as those reporting few qualified applicants was

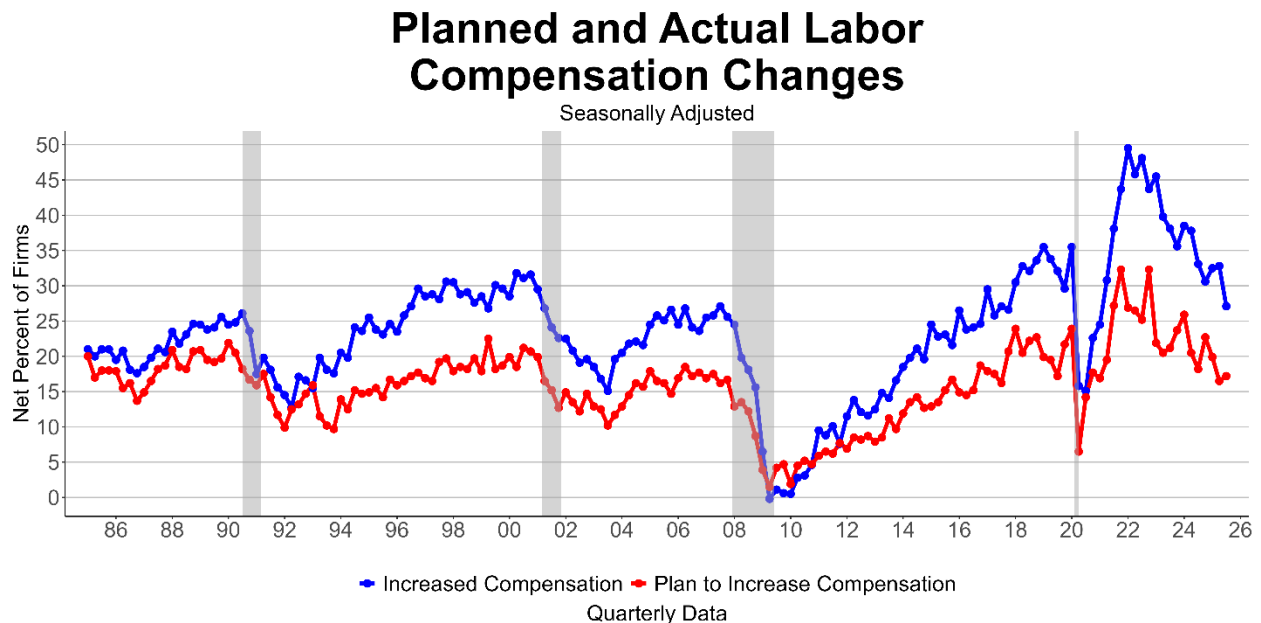
up 4 points to 29 percent, while those reporting none was down six points to 19 percent.



In July, 21 percent of small business owners cited labor quality as their single most important problem, up 5 points from June and the largest monthly increase since August 2022. Labor costs reported as the single most important problem for business owners decreased 1 point from June to 9 percent.



In July, both planned and actual labor compensation declined. Seasonally adjusted, a net 27 percent reported raising compensation, down 6 points from June. A net 17 percent (seasonally adjusted) plan to raise compensation in the next three months, down 2 points from June.



The economy is showing little growth. The negative first quarter reading resulted from a surge of imports anticipating higher tariffs. Making stuff in the U.S. raises U.S. GDP, importing stuff made elsewhere does not. GDP measures “domestic” production, not foreign. Growth will be around 1 percent, supporting little job creation and income growth this year. Slower growth means lower labor demand, so firms will face less pressure to raise compensation and find it easier to fill open positions and keep existing workers on board. That said, the labor market does remain tight in certain industries. Labor costs and quality workers remain significant challenges for many small business owners.

Quotes from NFIB Members:

"The labor market continues to be difficult both from the standpoint of availability and cost." - Manufacturing, MI

"Our niche market is expected to grow substantially in the next year, but the availability of experienced labor is not there to take full advantage of it." - Construction, TX

"My biggest problem- very few applications." - Retail, OK

"With the new minimum wage increases for MO, I am cutting down on part-time workers and no longer using any temporary labor. We are cutting costs any way we possibly can." - Publishing company, MO